

FISCAL NOTE

HB 3145 - SB 3477

March 13, 2006

SUMMARY OF BILL: Requires persons engaged in home solicitation sales to submit to a criminal background check. A person or business entity engaging in home solicitation sales will be required to obtain a home solicitation sales permit for a fee of \$50.00 from the county clerk where solicitation sales will be conducted. Such person or business entity will also be required to pay the cost of a background check. The background check may be conducted by the TBI or another legally authorized entity. Conducting home solicitation sales without a permit or falsifying information on a home solicitation sales permit is punishable through civil penalties, private rights of action, and as a Class A misdemeanor.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$140,000

Increase State Revenues – Exceeds \$140,000

Increase Local Government Revenues - \$500,000

Increase Local Government Expenditures* - \$500,000

Assumptions:

- A minimum of 10,000 permits will be issued annually.
- At least 25% of applicants will use the TBI, rather than a private background screening company to conduct background checks.
- An increase in state revenues and expenditures as a result of conducting TBI background checks (2,500 @ \$56 each).
- An increase in local government revenues from the collection of permit fees (10,000 @ \$50 each).
- An increase in local government expenditures to issue permits, maintain records and to enforce the provisions of this bill.
- There will not be a sufficient number of prosecutions for local governments to experience any significant increase in revenues or expenditures.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director